

UNITED STATES OF AMERICA
POSTAL REGULATORY COMMISSION
WASHINGTON, DC 20268-0001

Competitive Product Prices
First- Class Package Service Contract 39
(MC2016-38)
Negotiated Service Agreement

Docket No. CP2016-47

PUBLIC REPRESENTATIVE COMMENTS ON
POSTAL SERVICE NOTICE OF AMENDMENT TO
FIRST-CLASS PACKAGE SERVICE CONTRACT 39

(May 5, 2016)

The Public Representative hereby provides comments pursuant to Order No. 3272.¹ In that Order, the Commission established the above referenced docket to receive comments from interested persons, including the undersigned Public Representative, on a Postal Service Notice of Amendment to First-Class Package Service Contract 39.²

The Postal Service's Notice includes a certified statement as required by 39 C.F.R. § 3015.5, a public (redacted) version of the Amendment to First-Class Package Service Contract 39 , and supporting financial data estimating the contract value during the first year.

In Order No. 2926, the Commission approved the Postal Service's request to add a new product identified as First-Class Package Service Contract 39 to the Competitive

¹ PRC Order No. 3272, Notice and Order Concerning Amendment to a First-Class Package Service Negotiated Service Agreement. May 2, 2016 (Notice).

² Notice of the United States Postal Service of Amendment to First-Class Package Service Contract 39, with Portions Filed Under Seal. April 29, 2016. (Request).

Product List.³ The instant amendment amends the terms of Sections I.E, I.F, I.G, and I.J under this contract.

The effective date for Contract 39 is one (1) business day following the day on which the Commission issues all necessary regulatory approvals. *Id.*, Attachment B at 3 (Article II). The contract, as originally filed, was set to expire 3 years from its effective date, or approximately November 25, 2018 unless either party terminated the contract on 30 days' prior written notification, or other specific events. *Id.*, Attachment B at 4 (Article III).

COMMENTS

The Public Representative has reviewed the Postal Service's Notice of Amendment to First-Class Parcel Service Contract 39 and the financial data filed under seal with the Postal Service's Notice. Based upon that review, the Public Representative concludes that Contract 39 , as amended, should continue to generate sufficient revenues to cover costs and thereby satisfy 39 U.S.C. § 3633(a) and thus should be approved by the Commission.

Finally, the Postal Service must file revenue and cost data for Contract 39 in future Annual Compliance Reports. This data will permit the Commission to annually review the financial results for First-Class Package Service Contract 39 in a future Annual Compliance Determination (ACD) report for compliance with 39 U.S.C. § 3633(a).

³ See Order No. 2926 Order Adding First-Class Package Service Contract 39 to the Competitive Product List, Docket Nos. MC2016-38/CP2016-47, December 24, 2015.

The Public Representative respectfully submits the foregoing comments for the Commission's consideration.

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